

SECRET

ANNEX A

Extract from IG Survey of the Office of the
Comptroller, 20 October 1954, (TS #103026)

The Inspector General recommended that the following minimal standards should be established and enforced for all projects granted blanket waivers.

"(1) Require that the operations officer directing the project consult with the Comptroller's Staff and utilize Agency financial facilities and controls to the maximum extent consistent with security and project requirements.

(2) Provide for withdrawals and/or payments of monies at periodic intervals, or upon the development of contingencies or the performance of services. The present practice of withdrawing large lump sums which are placed under the control of the principal creates a problem of safeguarding and recovery if the project does not develop as anticipated. [] is an outstanding example.

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(3) Waive detailed accountings when they would compromise security, but require summary accounting statements from the operations officer showing amounts paid to the principal for services rendered, amounts in the hands of the principal covering services to be rendered in the future.

(4) Where the size or complexity of the project warrants, the Comptroller should detail a competent finance officer to work with and under the direction of the operations officer in order to ensure maximum financial controls consistent with security or cover."

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